



## MEMORANDUM

TO: Robert Klein, Chair, and  
Members of the Board

DATE: November 13, 2017

FROM: Erika McConnell, Director

RE: Potential Regulations Project:  
Seasonal Licensed Premises Changes  
and Fees for Premises Changes

The board requested staff to propose language on allowing for seasonal licensed premises changes and creating a new fee for licensed premises changes. We have combined these two proposals into one proposed regulations change, as both changes would be to the same section of regulations.

### Fee for Licensed Premises Changes

Licensees who wish to change their licensed premises by adding or removing an area submit an AB-14 form to the office. The board delegated to the director the authority to approve licensed premises changes.

The form is reviewed by a licensing examiner and enforcement staff for completeness and consistency with statutes and regulations. Quite often the staff must contact the applicant for changes or clarifications. Frequently an inspection is necessary. In the marijuana program, a licensed premises change (MJ-14) costs \$250. A similar fee in the alcohol program would pay for some of the staff time used to process the change.

### Seasonal Licensed Premises Changes

This regulation would authorize a seasonal licensed premises change, which would allow a licensee to get a one-time approval to expand their licensed premises on a seasonal basis, so that the premises would expand for a portion of the year and contract for a portion of the year. This could happen each year with only one initial application and approval. The licensee would submit a premises change once, indicating that the premises expansion would be valid each year between two certain dates. This concept is supported by the "seasonal license" concept.

These changes would be amendments to 3 AAC 304.185 as shown in the attached proposal.

Should the board wish to pursue these proposals, you need to take at least two actions:

1. Vote to open a regulations project.
2. Amend the proposed language. (optional)
3. Vote to put out for public comment.

Register \_\_\_\_\_, \_\_\_\_\_ 2018 COMMERCE, COMMUNITY, AND EC. DEV.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 304.185 is amended to read:

(a) A license is issued for a specific place which is the licensed premises and which must be clearly designated in a line drawing accompanying an application. The licensed premises must be one area, but may include separate rooms if the rooms are adjacent to one another or if they are rooms described in AS 04.11.090(d). The address of the licensed premises and the business name under which the licensee is doing business at that address must be indicated on the license application. If the licensed premises consist of more than one room in which a fixed counter or service bar is regularly maintained, a duplicate license is required for the additional rooms.

(b) The licensee shall conspicuously post the license within the licensed premises.

(c) A licensee may not alter the functional floor plan, reduce or expand the area, or change the business name of the licensed premises without the prior written approval of the director. The licensee must provide a new line drawing showing the proposed changes in the premises. A licensee must pay fee of \$250 for changing the business name **or diagram** of the licensee's licensed premises when the name **or diagram** change is not part of a transfer of ownership or location. A request for a business name **or diagram** change for licensed premises not part of a transfer must be made on a form prescribed by the board.

(d) If a business establishment or facility consists of both licensed premises and an unlicensed area, the licensee shall clearly segregate the licensed premises and the unlicensed area.

**(e) A licensee may request to have a portion of its licensed premises alternate as licensed or unlicensed premises on a seasonal basis under the following conditions:**

**(1) the request is made on a form prescribed by the board, accompanied by a detailed premises diagram and \$250 fee;**

**(2) a debt that is incurred during times when the identified area is unlicensed will be considered a debt incurred in the operation of the licensed business for purposes of transfer of the license under AS 04.11.360;**

**(3) at any time with written notice to the licensee, the board may withdraw its approval of use of the identified area as alternating premises;**

**(4) during times the identified area is designated as an unlicensed premises, all alcoholic beverages must either be removed from the identified area or be stored in a location approved by the board to be secure from the public.** (Eff. 11/29/81, Register 80; am 12/13/2009, Register 192; am \_\_/\_\_/\_\_\_\_, Register \_\_\_\_)

**Authority:** AS 04.06.090 AS 04.11.010 AS 04.11.680  
AS 04.06.100 AS 04.11.070 AS 04.16.130